GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:5420
ANSWERED ON:02.05.2005
PRICING OF GROUNDNUT
Barad Shri Jashubhai Dhanabhai

Will the Minister of AGRICULTURE be pleased to state:

(a) whether there has been any decline in price of groundnut since 2001 in whole sale market;

(b) if so, the details of retain prices of groundnut recorded during the said period alongwith the reasons therefor; and

(c) the steps taken by the Union Government to prevent the interests of groundnut growers in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a) to (c): The annual average of month-end Wholesale prices of Groundnut (with shell) from the year 2001 to 2005 are given below:

Table 1

Annual Average Wholesale Prices

(Rs. per quintal)

Year	Groundnut (with shell)	
	Rajkot (Gujarat)	Hathras (Uttar Pradesh)
2001	1218	1740
2002	1472	1725
2003	1875	1765
2004	1836	1725
2005	1780	1665

Average of January to March 2005

Retail price statistics are not compiled for groundnut. Since retail prices are relevant to groundnut oil, the trends in annual average month-end retail prices for groundnut oil in Ahmedabad and Lucknow are given below:

Table 2

Annual Average Retail Prices

(Rs. per kg)

Year	Groundnut Oil	
	Ahmedabad	Lucknow

	(Gujarat)	(Uttar Pradesh)
2001	40.83	60.00
2002	47.44	67.50
2003	58.00	76.42
2004	55.04	79.25
2005	54.13	80.00

Average of January to April 2005.

The prices of commodities depend on supply and demand and the variations in supply vis-a-vis demand affects prices. With a view to protecting the farmers from distress sale, the Government has been announcing Minimum Support Prices (MSP) each season for major crops covering cereals, pulses and oilseeds, including groundnut. The announcement of MSPs is backed by procurement by designated agencies with a view to protecting the interests of farmers during periods of fall in prices vis-a-vis MSPs.